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DEPARTMENT OF JUSTICE

Bureau of Alcohol, Tobacco, Firearms, and Explosives

[Docket No. ATF 2018R-02]

International Trade Data System Test—Cessation of Voluntary Export Pilot Project

AGENCY: Bureau of Alcohol, Tobacco, Firearms, and Explosives, Department of Justice.

ACTION: Notice.

SUMMARY: The Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) announces cessation of its voluntary participation in a U.S. Customs and Border Protection (CBP) pilot test of the International Trade Data System (ITDS) for processing import and export-related ATF forms and data using the Partner Government Agency (PGA) Message Set and the Automated Commercial Environment (ACE). The Border Interagency Executive Counsel (which oversees ITDS implementation) requires each agency to announce the start and cessation of the required pilots. ATF's participation for the imports and exports requirements were done separately with the imports pilot being completed in 2015. *See* 81 FR 60022 (August 31, 2016). This notice now concludes ATF participation in the pilot for the exportation requirements. While this notice announces the cessation of the pilot program, CBP has not yet announced the date that filing entries in ACE will be mandatory. The pilot test allowed participating exporters to submit ATF Form 9, Application and Permit for Permanent Exportation of Firearms (Form 9), and additional information to CBP electronically to obtain CBP certification of

exportation. During the pilot, CBP validated that information and electronically transmitted export information to ATF to satisfy CBP's certification requirements.

DATES: This notice is effective on the date of publication in the *Federal Register*.

FOR FURTHER INFORMATION CONTACT: National Firearms Act, Industry Processing Branch Chief, 244 Needy Road, Martinsburg, WV, 25045, 304-616-4500, IPB@atf.gov

SUPPLEMENTARY INFORMATION: ATF participated in a voluntary CBP pilot test of the ITDS involving the use of the PGA Message Set and ACE. *See* 81 FR 70441 (October 12, 2016). The pilot allowed exporters to submit required data to CBP through ACE for the purposes of obtaining CBP release and receipt. CBP validated that information electronically, and transmitted entry and release information to ATF to satisfy certification requirements. More than a dozen agencies participated in various pilots all of which are at different stages of testing and implementation.

In compliance with Executive Order 13659, Streamlining the Export/Import Process for America's Businesses (79 FR 10657, Feb. 25, 2014), ATF joined CBP's pilot test and encouraged voluntary participation of U.S. exporters of National Firearms Act (NFA) firearms, as defined under title 26, United States Code (U.S.C.), section 5845(a)). The NFA (and the implementing regulations in title 27, Code of Federal Regulations (CFR), part 479, require any person desiring to export a firearm without payment of transfer tax to apply for a permit (ATF Form 9). *See* 26 U.S.C. § 5854; 27 CFR 479.114. The approval provides for deferment of tax liability. In accordance with Federal regulation, the exporter would furnish ATF evidence of the exportation of the firearm(s) within a six-month's period of the date of issuance of the permit to relieve the tax

liability. *See* 27 CFR 479.115. After the merchandise is exported, CBP would execute the certificate of exportation (Part 3 of Form 9) and send a copy of the executed certificate to ATF. *See* 27 CFR 479.117. This pilot program allowed CBP to transmit the certificate to ATF electronically, with the exporter continuing to apply on Form 9 for the permit.

The Border Interagency Executive Council, Departments of Treasury and Homeland Security, which oversees ITDS implementation, asked ATF to end the pilot. Pilot participants can continue to function as they did while on the pilot. Participants will not notice any differences after the pilot has ended. At some point, CBP will mandate importers and exporters to use the ACE single window; however, DHS needs all pilots successfully completed to move to their next phase of implementation. The termination of the pilot will not cause any delays for participating exporters, and CBP will continue to transmit the certificate of exportation to ATF electronically.

Exporters should be aware that no changes have been made to the requirement that they submit their copy of ATF Form 9 to ATF within a six month period from the date of issuance of the permit to export firearms. *See* 27 CFR 479.118.

Regina Lombardo,
Acting Deputy Director.

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